



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

October 11, 2007

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To: Supervisor Zev Yaroslavsky, Chairman
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From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Water Supply Special Session Legislation

County-supported SB 2X 1 (Perata), which would appropriate a total of \$610.9 million in funding from Proposition 1E (2006), Proposition 84 (2006) and Proposition 50 (2002) to the Department of Water Resources and the State Department of Public Health for a variety of water projects, particularly related to the Sacramento-San Joaquin Delta, passed the Senate Natural Resources and Water Committee on October 8, 2007 on a partisan vote of 5 to 1. The measure then passed the Senate Appropriations Committee on October 9, 2007 on a partisan vote of 10 to 7, and is currently pending a vote on the Senate Floor.

County-supported if amended SB 2X 2 (Perata, Machado, Steinberg), as reported in our October 5, 2007 Sacramento Update on the Water Supply Special Session, was amended on October 8, 2007 to: 1) change the title from Water Supply Reliability Bond Act of 2008 to Safe Drinking Water Act of 2008; 2) increase the amount of the bonds from \$5.8 billion to \$6.835 billion; 3) add language related to liability for contaminated water and descriptors for watersheds in the water supply reliability section of the bill; 4) add three new watersheds and language requiring the Los Angeles and San Gabriel Watershed expenditures to be made within the City of Los Angeles and consistent with the City of Los Angeles River Master Plan; 5) add \$100 million for small community

wastewater treatment; 6) add \$500 million for stormwater management grants (50 percent cost share); 7) add \$100 million for the Ocean Protection Trust Fund; 8) add \$250 million for water recycling grants and loans; and 9) create the Safe Drinking Water Fund to deposit the bond proceeds. The bill failed passage on the Senate Floor on a partisan vote of 23 to 12, but was granted reconsideration.

The Department of Public Works (DPW) has reviewed the amended version of SB 2X 2 and indicates that the \$250 million for water recycling projects is insufficient because projects currently planned Statewide require at least \$500 million in matching grants in order to be constructed. DPW indicates that expanding California's water supply portfolio by investing in recycled water projects provides numerous benefits justifying a more aggressive grant program. According to DPW, recycled water projects enable potable supplies to be dedicated to truly potable purposes, improve water supply reliability and stability by utilizing a local supply, and reduce energy consumption and green house gas emissions.

Therefore, in addition to the amendments requested in the October 5, 2007 Sacramento Update, DPW recommends that the County continue to support SB 2X 2 only if amended to: 1) increase the allocation to at least \$500 million for water recycling projects; and 2) delete the sub-allocation of \$100 million within the water recycling allocation dedicated for water supply restoration projects to allow greater flexibility in supporting the development of recycled water projects throughout the State. **Our Sacramento advocates will continue to support SB 2X 2 if amended as indicated above and in the October 5, 2007 Sacramento Update.**

SB 2X 3 (Cogdill), which is the Governor's proposal, would enact the Water Supply Reliability Bond Act of 2008 at a bond issuance level of \$9.1 billion, including \$5.6 billion for water storage development projects, including the construction of three Northern California dams, failed passage in the Senate Natural Resources Committee on October 8, 2007 on a partisan vote of 2 to 4.

County-supported if Amended SB 2X 4 (Cogdill and Villines), which would appropriate a total of \$553 million in funding from Proposition 1E (2006), Proposition 84 (2006) and Proposition 50 (2002) to the Department of Water Resources and the State Department of Public Health for a variety of water projects, particularly related to the Sacramento-San Joaquin Delta, failed passage in the Senate Natural Resources Committee on October 8, 2007 on a partisan vote of 2 to 4.

SB 2X 5 (Wiggins), which would appropriate \$5.3 million of the \$45 million available from Proposition 84 (2006) to the Department of Fish and Game for coastal salmon and steelhead fishery restoration projects and the Coastal Salmonid Monitoring Plan,

passed the Senate Natural Resources and Water Committee on October 8, 2007 on a partisan vote of 5 to 2. The measure then passed the Senate Appropriations Committee on October 9, 2007 on a partisan vote of 11 to 6, and passed the Senate Floor on the same day on a partisan vote of 26 to 10, and now proceeds to the Assembly.

County staff from the Department of Public Works and a County contract advocate testified at the October 8, 2007 Senate Natural Resources and Water Committee hearing, which considered these bills.

Status of County-Sponsored Legislation

County-sponsored AB 223 (Runner), which would allow those called to active military duty on short notice to cast absentee ballots in elections, was signed by the Governor on October 9, 2007.

County-cosponsored SB 134 (Cedillo), authorizing the Board of Supervisors to allow Los Angeles County sworn Sheriff's Department employees and fire fighters hired prior to April 1, 1997, to work beyond the age of 60, was signed by the Governor on Friday, October 5, 2007. SB 134 will take effect on January 1, 2008 and does not become operative until a resolution is adopted by a majority of the Board of Supervisors, however, the Board can adopt the resolution before the effective date of the bill.

Status of County-Advocacy Legislation

County-opposed AB 1581 (Fuller), which would require a traffic-actuated signal, upon the first placement or replacement of the equipment to detect lawful bicycle or motorcycle traffic on the roadway, was signed by the Governor on October 10, 2007 and takes effect on January 1, 2008.

Legislation of County Interest

AB 1745 (Committee on Revenue and Taxation), as amended on June 21, 2007, was signed by the Governor on October 8, 2007. AB 1745 is an omnibus bill enacted to ensure uniformity in operations by the 58 county tax collectors and treasurers. Bill provisions include: 1) authorizing counties to invest in the treasury and bond notes issued by any state; 2) authorizing a county Board of Supervisors to order property taxes be collected in an alternate location, regardless of whether that location is within the county; and 3) specifying procedures for the tax collector to refund payments mistakenly paid in which there is no property to which the payment may be applied.

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This bill was sponsored by the California Association of County Treasurers and Tax Collectors.

We will continue to keep you advised.

WTF:GK
MAL:IGA:acn

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
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